

FINANCIAL MANAGEMENT ADVISORY COMMITTEE MINUTES

November 4, 2009

The Financial Management Advisory Committee met on Wednesday, November 4, 2009.

The following were in attendance:

| <u>NAME</u> | <u>DEPARTMENT/DIVISION</u> |
|-------------------|----------------------------|
| Brian Dowden | OSCA |
| Mike Hancock | OSCA |
| Peggy Schler | SAO |
| Carol Newgaard | SAO |
| Doug Porting | SAO |
| Robin Burkhart | DESE |
| Andrea Beck | DESE |
| Mary Lee Stegeman | Supreme Court |
| Stacey Jacobs | STC |
| Nicole Hackmann | STO |
| Stacy Neal | OA |
| Diane Riddle | MGC |
| Sherry Hess | DIFP – PR |
| Kim Sandbothe | DIFP – Finance |
| Mark Kaiser | OA |
| Cindy Dixon | OA/GS |
| Carol Willhite | DPS |
| Jim Miluski | OA |
| Tom Veasman | MODOT |
| Duane Rasmussen | OA/Acct |
| Helen Zimmerman | House Approps. |
| Larry Schepker | House Approps. |
| Karen Wood | Agriculture |
| Judy Gehrke | DED |
| Renee Godsey | Health and Senior Services |
| Tracy Farris | SEMA |
| Mike Clark | DMH |
| Lenard Lenger | DOC |
| Julie Miller | MVC |
| Jennifer Hall | OA/Acct. |
| Audrey Cunningham | DOLIR |
| Marty Drewel | OA/B&P |
| Shirley Gerling | DIFP – Insurance |
| Cindy Luebbering | DNR |
| Cyndi Voss | Conservation |
| Kemp Shoun | Highway Patrol |
| Debbie Davis | DIFP – Credit Union |
| Rebecca Imhoff | DOR |

Presentations:

Janet L. Kottman, Institutional Relationship Manager for MOST (Missouri's 529 College Savings Plan)

Janet L. Kottman, Institutional Relationship Manager presented information regarding Missouri's college savings plan – MOST, Upromise and Ugift.

The following websites contain information regarding the MOST program and other college information:

<https://missourimost.s.upromise.com/>

www.529.com

www.savingforcollege.com

www.finaid.org

www.collegesavings.org

www.collegeboard.org

Mickey Wilson, CPA, Director, Oversight Division – Legislative Overview

Mickey Wilson presented information regarding the legislative proposals, the Sunset Review Act and legislative program reviews.

- ◆ Legislative proposals will begin being sent out December 1. They will not be sent until there is a bill number.
- ◆ The Oversight Division is starting to evaluate and review programs under the Sunset Review Act, which was effective August 28, 2003.
 - Three Programs were passed during the applicable timeframe and will go through the reviews:
 1. Veterans Commission program,
 2. Treasurer's Office – MOST programs, and
 3. Homestead Preservation Tax Credit.
 - Results of the reviews will be available some time in January.
- ◆ The Oversight Division will be conducting legislative program reviews as well.

Cindy Dixon, O.A. Fleet Management

Cindy Dixon presented information regarding the new Fleet Credit Card.

Ms. Dixon provided an update on the Wright Express Fuel Card Transition.

- ◆ Contract with Voyager ends December 31, 2009 – no further extensions planned.
- ◆ **UPCOMING DEADLINE:** Agencies must get 'Data Collection Documents' to Wright Express by **November 15, 2009** to have cards distributed and activated by December 31, 2009.
- ◆ Most agencies are actively working with WEX right now.
- ◆ **TRAINING:** WEXOnline training conducted 10/19/09 in Jefferson City – approximately 150 attendees
- ◆ Future Training: WebEx sessions coming up this month. Recorded WebEx sessions will be made available on a secure site for agencies to access throughout the contract period.

- ◆ Today and Friday: WEX is offering WebEx sessions on how to access invoices online – invitations were sent last week. All accounts will be set up for online invoicing unless the agency requests paper.
- ◆ **REBATE UPDATE:**
Volume and Prompt Pay Rebates
 - Previously told agencies that they would be applied to each eligible account on a monthly basis.
 - Recently learned that rebates should be treated as revenue and so rebate process will change.
 - Wright Express will send one check to each executive branch agency or elected officials office on a quarterly basis along with backup documentation detailing the rebate amount attributed to each WEX billing account.
 - First rebate will probably be distributed by WEX in January for the quarter ending December 31, 2009.
- ◆ Transition data is needed by November 15.

Status Reports:

Budget and Planning

Marty Drewel thanked everyone for getting their budgets in on time. He also thanked everyone for assisting with the latest expenditure restriction plans.

- ◆ State revenues were down by 10.8% through October. September was down 10%. October declines may be reflective of one less collection date and a due date pushed to November. November may be higher because of this. It might be December 1 before we see a true reflection of how things are going.
- ◆ State Taxes
 - Sales tax showed a decrease in October.
 - Individual income tax declined for the tenth straight month – total decline 25%.
 - Conservation/MoDOT all showed a decline.
- ◆ On a positive note, Missouri's revenues may pick back up. Indicators of such are GDP showed its first increase since early 2008 and consumer spending showed its first increase since 2007.
- ◆ There is a possibility for further expenditure restrictions due to an expected negative 4% growth overall for the fiscal year. Please plan for more "belt-tightening."

Accounting

Mark Kaiser reported the following:

- ◆ Meal per diem rates changed back to FY 2009 rates effective November 1.
- ◆ W-2's will not have the extra piece of paper that is normally sent detailing additional information. It will now be located on the back of the W-2.

Purchasing and Materials Management

Jim Miluski reported the following:

- Office Depot was awarded the state's supply contract effective January 1. It is non-mandatory. Please review your invoices to ensure correct contract pricing and report any discrepancies to OA. Monthly reports will be run to ensure correct pricing is used.
- Master Lease Contract was awarded.

State Treasurer's Office

Nicole Hackmann reported the deposit services contract was awarded to Central Bank.

State Auditor's Office

Doug Porting reported the following:

- ◆ Statewide Financial Statement Audit - the related work in most state departments and agencies will be winding down in November, if not completed already. The remaining work will be focused on finishing the audit of the draft CAFR report itself, which is planned for a December release.
- ◆ Statewide Single Audit - this audit work is underway in all applicable agencies now, again with most work planned for completion in December, so that the state can meet the March 31 reporting package submission deadline.

Other

- ◆ Andrea Beck requested that if anyone is interested in serving on a Budget Forms Review Subcommittee to please email her at Andrea.Beck@dese.mo.gov.
- ◆ Renee Godsey will hold a Travel Subcommittee meeting after the FMAC meeting today.
- ◆ A question was raised regarding if there was any information about the changes that are occurring at Surplus. Jim Miluski, OA Purchasing and Materials Management, reported there would be an FAQ posted to Surplus' website soon. Please contact Jim Miluski at Jim.Miluski@oa.mo.gov with concerns.

Next Meeting:

Wednesday, January 6, 2010

8:30 a.m. – 10:00 a.m.

Room 500 Harry S. Truman Office Building